STITES & HARBISON PLIACE

ATTORNEYS

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December 11, 2003

HAND DELIVERED

Thomas M. Dorman
Executive Director
Public Service Commission of Kentucky
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602-0615

DEC 1 1 2003

RE: P.S.C. Case No. 2003-228

Dear Mr. Dorman:

Please find enclosed and accept for filing the Response of Kentucky Power Company d/b/a American Electric Power to Hearing Data Request No. 4. This completes Kentucky Power's responses to the hearing data requests.

By copy of this letter, I am serving a copy of the response on all counsel of record.

Sincerely yours

STITES & HARBISON PLLC

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Mark R Overstreet

cc: Robert C. Moore
Albert A. Burchett

Rebecca S. Gohmann

J. Scott Preston

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COMMONWEALTH OF KENTUCKY 1 1 2003

BEFORE THE

RUB : Orbining in the

PUBLIC SERVICE COMMISSION OF KENTUCKY

IN THE MATTER OF

MATRIX ENERGY, LLC FOR DETERMINATION) CASE NO. OF RETAIL ELECTRIC SUPPLIER) 2003-00228

SUPPLEMENTAL RESPONSE OF KENTUCKY POWER COMPANY D/B/A AMERICAN ELECTRIC POWER TO MATRIX ENERGY FIRST SET OF DATA REQUESTS NO. 4

KPSC Case No. Case No. 2003-00228 November 24, 2003 Hearing Data Request Item No. 4 Supplemental Page 1 of 2

Kentucky Power d/b/a American Electric Power

REQUEST

Reference to Kentucky Power Company Response to Matrix Data Request No. 1 dated November 7, 2003

Please provide a cost of service study for AEP/Kentucky Power Company to provide service to Matrix utilizing the existing tap and high voltage meter presently existing at the Pevler Station.

RESPONSE

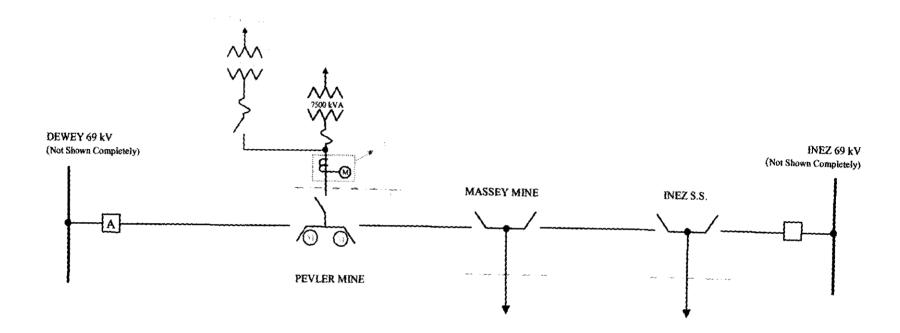
The cost for AEP to serve the entire 5 to 7 MW load at the Matrix Mining from the existing Pevler 69 kV delivery point will be approximately \$154,000 and will take up to four months to complete. As demonstrated on the attached line diagram (see page 2), this includes motorizing the two existing 69 kV in-line switches and using the existing metering equipment at the Pevler 69 kV delivery point.

In comparison, establishing a new interconnection point for EKPC on the Dewey-Inez 69 kV line will cost approximately \$332,000 plus site preparation and take up to six months to complete. The estimated cost also assumes that EKPC will provide, at their cost, land for the station and the graveled road for access to the station through a locked gate, in a timely manner to allow AEP time to install the facilities within the six-month period.

The costs shown in the above alternatives do not include any costs for customer facilities.

WITNESS: Errol K Wagner

SIMPLIFIED DEWEY - INEZ 69 kV LINE (Proposed Service to Matrix Energy)



Existing —————
Proposed ————

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